

120001324

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

**CODE OF VIRGINIA
§ 45.1-361.26**

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: Revised Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties) to correct table to include
50% of royalty to Levisa Coal based on Royalty Division Order

JURISDICTION: *Code of Virginia* § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: O(-1)
TRACT(S): Tract 4
LOCATION: Buchanan County, Virginia

DOCKET NUMBER: **VGOB-07-0821-1984-02**

APPLICANTS: CNX Gas Company on behalf of Fairview Limited Partnership, Carl Irvin, F. H.
Combs Testamentary Trust, Martha Combs, John W. Pobst, Jr., Virginia Lee
Linwick, Richard Pobst, Catherine Pobst and Meredith Jennings and Levisa
Coal

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
February 21, 2012

APPEARANCES: Mark Swartz on behalf of CNX Gas Company, LLC and, Sharon Pigeon, Sr. Assistant
Attorney General representing the Board.

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 08/21/2007, Recorded on 12/04/2009, Instrument No. 090003753.
2. Supplemental Order Executed 004/08/2010, Recorded on 05/19/2010, Instrument No. 100001287.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at
the February 21, 2012 hearing and consider whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account
attributable to Tract 4 identified in the attached miscellaneous petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract 4 relative to the
interests of the Applicants identified in the attached miscellaneous petition.
- (3) Close the escrow account under this docket number.

FINDINGS: *Code of Virginia* § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owner of the coal estate for Tract 4 is Garden Realty Corporation. for the subject drilling unit.
2. The owners of the gas estate for Tract 4 are Fairview Limited Partnership, Carl Irvin, F. H. Combs Testamentary Trust, Martha Combs, John W. Pobst, Jr., Virginia Lee Linwick, Richard Pobst, Catherine Pobst and Meredith Jennings and Levisa Coal Company for the subject drilling unit.
3. Fairview Limited Partnership, Carl Irvin, F. H. Combs Testamentary Trust, Martha Combs, John W. Pobst, Jr., Virginia Lee Linwick, Richard Pobst, Catherine Pobst and Meredith Jennings are entitled to 100% of the royalties according to the Order which was entered on December 7, 2011, Case No. 486-08, adjudicating the ownership of coalbed methane gas. This order allows the Applicant and Designated Operator to pay royalties directly to the prevailing plaintiffs identified on Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be paid.

RELIEF GRANTED:

VGOB Approved Disbursement VGOB-07-0821-1984-02 Unit O(-1)			Fractional Ownership in Tract	Net Acreage Ownership in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
Table 1 Tract 4							
Item	Tract	Disbursement Table					
		Total acreage in escrow before disbursement				2.9000	
	4	Tract 2A (total acreage)	2.90				
		court order					
1	4	Fairview Limited Partnership c/o John Irving, 4710 Hunterwood Circle, Richmond TX 77406	1/4	0.7250	50.0%	0.3625	12.5000%
3	4	Carol C. Irving 4710 Hunterwood Circle, Richmond, TX 77406	1/12	0.2417	50.0%	0.1208	4.1667%
4	4	F. H. Combs Testamentary Trust P. O. Box 841, Tazewell, VA 24651	1/12	0.2417	50.0%	0.1208	4.1667%
5	4	Martha Combs c/o Benjamin F. Edwards Co. c/o Benjamin Edwards & Co., 208 W. Main St., Suite 400, Tazewell, VA	1/12	0.2417	50.0%	0.1208	4.1667%
6	4	John W. Pobst, Jr. Box 86, Revere, IA 188953	1/12	0.2417	50.0%	0.1208	4.1667%
7	4	Virginia Lee Linwick 4324 South Bell Dr., Veradale, WA 99037	1/12	0.2417	50.0%	0.1208	4.1667%
7	4	Richard Pobst 39 Waterside Drive, Cartersville, GA 30121	1/12	0.2417	50.0%	0.1208	4.1667%
9	4	Catherine Pobst c/o Lynn Quick, 111 Postelle St., Cartersville, GA 30120	1/12	0.2417	50.0%	0.1208	4.1667%
10	4	Meredotj Kemmons 542 Butler Mill Rd., Maryville, TN 37803	1/6	0.4833	50.0%	0.2417	8.3333%
		Levisa coal royalty only entitled to 50% per Royalty Division					
11	4	Levisa Coal Company c/o John Irvin, 4710 Hunterwood Circle, Richmond, TX 77406		0.0290	-----	1.4500	50.0000%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1 attached.

2. The Escrow Agent is ordered to CLOSE the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted **and IT IS SO ORDERED.**

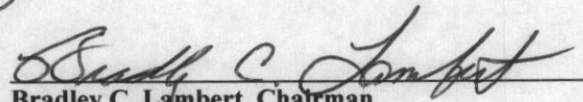
APPEALS:

Appeals of this Order are governed by the provisions of the *Code of Virginia* § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

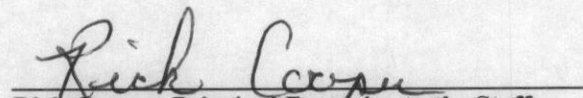
Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 16th day of June, 2012, by a majority of the Virginia Gas and Oil Board.

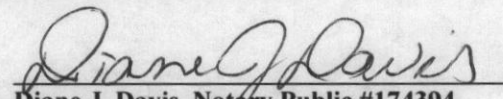

Bradley C. Lambert, Chairman
Virginia Gas and Oil Board

DONE AND PERFORMED this 16th day of June, 2012 BY Order of the Virginia Gas and Oil Board.

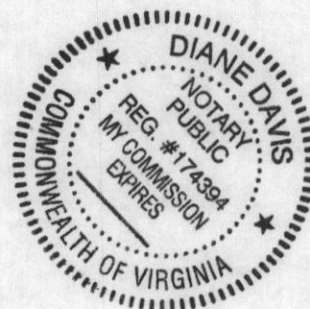

Rick Cooper, Principal Executive to the Staff
Virginia Gas and Oil Board

**COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL)**

Acknowledged on this 16th day of June, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and were authorized to do so.


Diane J. Davis, Notary Public #174394

My commission expires: 09/30/2013



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 07-0821-1984-02

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 4

HEARING DATE: February 21, 2012

(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

DRILLING UNIT: O(-1)

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. **Petitioner and its counsel:** Petitioner is **CNX Gas Company LLC**, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC.**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. **Relief sought:** (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 4 as depicted upon the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the prevailing plaintiffs; Fairview Limited Partnership, Carol C. Irvin, F.H. Combs Testamentary Trust, Martha E. Combs c/o Benjamin F. Edwards & Company, John W. Pobst, Jr., Virginia Lee Linwick, Richard K. Pobst, Catherine Pobst, and Meredith E. Jennings

3. **Legal Authority:** Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. **Type of well(s):** Coalbed methane.

5. **Factual basis for relief requested:** Fairview Limited Partnership, Carol C. Irvin, F.H. Combs Testamentary Trust, Martha E. Combs c/o Benjamin F. Edwards & Company, John W. Pobst, Jr., Virginia Lee Linwick, Richard K. Pobst, Catherine Pobst, and Meredith E. Jennings is entitled to 100% of the royalties according to the Order which was entered on December 7, 2011, Case No:486-08, adjudicating the ownership of coalbed methane gas. This order allows the Applicant and Designated Operator to pay royalties directly to the prevailing plaintiffs identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be paid.

6. **Attestation:** The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: _____

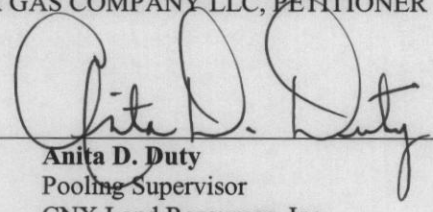

Anita D. Duty
Pooling Supervisor
CNX Land Resources, Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701

Exhibit A-1
Tract-by-Tract Escrow Calculation
Account Balances as of 12/31/2011

Unit O(-1)
VGOB 07-0821-1984-02
Acres Escrowed: 2.90000

Owners	Tract #	Acres	Owner Acres	Interest	Owners' Percent of Escrow	Amount Due Owners \$2,454.25
Garden Realty Corporation - Coal	4	2.90				
John W. Pobst, Jr. et al - O,G, & CBM						
Fairview Limited Partnership			0.73	1/4	12.5000%	\$306.78
Carol C. Irvin			0.24	1/12	4.1667%	\$102.26
F.H. Combs Testamentary Trust			0.24	1/12	4.1667%	\$102.26
Martha E. Combs c/o Benjamin F. Edwards Company			0.24	1/12	4.1667%	\$102.26
John W. Pobst, Jr.			0.24	1/12	4.1667%	\$102.26
Virginia Lee Linwick			0.24	1/12	4.1667%	\$102.26
Richard K. Pobst			0.24	1/12	4.1667%	\$102.26
Catherine Pobst			0.24	1/12	4.1667%	\$102.26
Meredith E. Jennings			0.48	1/6	8.3333%	\$204.52
Levisa Coal Company					50.0000%	\$1,227.13
<i>(Royalty Only - Entitled to 50% per Royalty Division Agreement)</i>						

Wells contributing to the escrow account: O(-1)

This Disbursement will close the account

6

PROPERTY LINES SHOWN ON THIS MAP WERE TAKEN FROM DEED DESCRIPTIONS AND CHAIN OF TITLE AND DOES NOT REPRESENT A CURRENT FIELD SURVEY.

N 342,500.98
E 940,969.48

N 342,430.75
E 942,836.35

80 ACRE UNIT

1B

1A

2A

2B

2C

2E

CBM-D(-1)

2D

4

3

N 340,632.80
E 940,898.88

N 340,562.53
E 942,765.67

BEARING & DISTANCE TO NEAREST
WELLS FROM CBM-D(-1)

CBM-P(-2) S 46°09'45" W 2743.50'

EXHIBIT A
OAKWOOD FIELD
UNIT D(-1)
FORCE POOLING
VGOB-07-0821-1984-01

Company CNX Gas Company LLC Well Name and Number UNIT D(-1)

Tract No. Elevation Quarter angle Prater

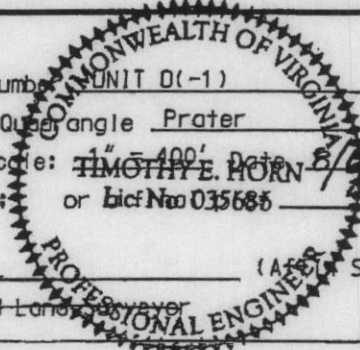
County Buchanan District Prater Scale: 1" = 400' Date 8/2/00

This plat is a new plat X ; an updated plat ; or Lic No 035685

Form DGO-GO-7
Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

(After Seal)



7

CNX Gas Company LLC

Unit O (-1)

Tract Identifications

1. Bran Investments, LLC, et al (263.47 Acre Tract) – Coal Below Drainage, Oil and Gas
Bran Investments, LLC, et al – Coal Above Drainage
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
Jewell Smokeless Coal Corporation – Coal Above Drainage Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
16.84 acres 21.0500%
- 1A. Grover A. Dales, Jr., et ux – Surface Owner
1B. Jess O'Quin, et ux – Surface Owner
2. Consolidation Coal Company (194.84 Acre Tract) – Coal
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
Jewell Smokeless Coal Corporation – Coal In Tiller and Above Leased
Highland Resources, Inc./North American Resources Corporation – Oil and Gas
CNX Gas Company LLC – Oil and Gas Leased
Plum Creek Timberlands, L.P. – CBM
CNX Gas Company LLC – CBM Leased
60.19 acres 75.2375%
- 2A. CNX Gas Company LLC/Island Creek Coal Company – Surface Owner
2B. Unknown Surface Owner
2C. Michael D. Church, et ux – Surface Owner
2D. Unknown Surface Owner
2E. James L. Skeens, et ux – Surface Owner
3. Levisa Coal Corporation, Tract 19 (411.96 Acre Tract) – All Coal except Coal Below Tiller
Consolidation Coal Company – Coal Below Tiller Seam
Jewell Smokeless Coal Corporation – Coal in Tiller Seam and Above Leased
CNX Gas Company LLC – CBM Leased
John W. Pobst, Jr., et al – Oil and Gas
CNX Gas Company LLC – Oil, Gas and CBM Leased
Anna Belle Looney Trust, et al – Surface
0.07 acres 0.0875%
4. Garden Realty Corporation (250.22 Acre Tract) – Coal and Metals
Island Creek Coal Company/Consol Energy, Inc. – Coal Below Tiller Seam Leased
Motivation Coal Company/Alpha Land and Reserves, LLC – All Coal Outcropping Above Water Level Leased
John W. Pobst, Jr., et al – Oil, Gas and CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased
Sandy Valley Explosives Company, Inc./Mountain Valley Explosives – Surface
2.90 acres 3.6250%

g

Exhibit EE
Unit O(-1)
Docket #VGOB 07-0821-1984-02
List of Conflicting Owners/Claimants with Royalty Split Agreements and/or Court Decisions

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #3 - 0.07 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Levisa Coal Company (411.96 Acre Tract) c/o John C. Irvin, Managing Partner 4710 Hunterwood Circle Richmond, TX 77406	0.07 acres	0.0875%	n/a
<u>OIL & GAS OWNERSHIP</u>			
(1) John W. Pobst, Jr., et al. (411.96 Acre Tract)	0.07 acres	0.0875%	
(a) Fairview Limited Partnership c/o John C. Irvin, Managing Partner 4710 Hunterwood Circle Richmond, TX 77406	0.02 acres 1/4 of 0.07 acres	0.0219%	n/a
(b) Carol C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	0.01 acres 1/12 of 0.07 acres	0.0073%	n/a
(c) F.H. Combs Testamentary Trust P.O. Box 841 Tazewell, VA 24651	0.01 acres 1/12 of 0.07 acres	0.0073%	n/a
(d) Martha E. Combs c/o Benjamin F. Edwards & Company 208 West Main Street, Suite 400 Tazewell, VA 24651	0.01 acres 1/12 of 0.07 acres	0.0073%	n/a
(e) John W. Pobst, Jr. Box 86 Revere, PA 18953	0.01 acres 1/12 of 0.07 acres	0.0073%	n/a
(f) Virginia Lee & Phillip Linwick 4324 South Bell Drive Veradale, WA 99037	0.01 acres 1/12 of 0.07 acres	0.0073%	n/a
(g) W. Kent Pobst Trust			
(g.1) Richard K. Pobst 39 Waterside Dr. Cartersville, GA 30121	0.01 acres 1/12 of 0.07 acres	0.0073%	n/a
(g.2) Catherine Pobst c/o Lynn R. Quick 111 Postelle Street Cartersville, GA 30120	0.01 acres 1/12 of 0.07 acres	0.0073%	n/a
(h) Meredith E. Jennings 542 Butler Mill Rd. Maryville, TN 37803	0.01 acres 1/6 of 0.07 acres	0.0146%	n/a

Tract #4 - 2.90 acres

Note: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. 486-08
The Order was executed December 7, 2011 and plaintiffs were awarded 100% of the
Coalbed Methane Gas underlying this tract.

Exhibit EE
Unit O(-1)
Docket #VGOB 07-0821-1984-02
List of Conflicting Owners/Claimants with Royalty Split Agreements and/or Court Decisions

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>COAL OWNERSHIP</u>			
(1) Garden Realty Corporation (250.22 Acre Tract) c/o Margaret Burns 108 Bexley Road Mooreville, NC 28117	2.90 acres	3.6250%	n/a
<u>OIL, GAS & CBM OWNERSHIP</u>			
(1) John W. Pobst, Jr., et al. (250.22 Acre Tract)	2.90 acres	3.6250%	
(a) Fairview Limited Partnership c/o John C. Irvin, Managing Partner 4710 Hunterwood Circle Richmond, TX 77406	0.73 acres 1/4 of 2.90 acres	0.9063%	12.5000%
(b) Carol C. Irvin 4710 Hunterwood Circle Richmond, TX 77406	0.24 acres 1/12 of 2.90 acres	0.3021%	4.1667%
(c) F.H. Combs Testamentary Trust P.O. Box 841 Tazewell, VA 24651	0.24 acres 1/12 of 2.90 acres	0.3021%	4.1667%
(d) Martha E. Combs c/o Benjamin F. Edwards & Company 208 West Main Street, Suite 400 Tazewell, VA 24651	0.24 acres 1/12 of 2.90 acres	0.3021%	4.1667%
(e) John W. Pobst, Jr. Box 86 Revere, PA 18953	0.24 acres 1/12 of 2.90 acres	0.3021%	4.1667%
(f) Virginia Lee & Phillip Linwick 4324 South Bell Drive Veradale, WA 99037	0.24 acres 1/12 of 2.90 acres	0.3021%	4.1667%
(g) W. Kent Pobst Trust			
(g.1) Richard K. Pobst 39 Waterside Dr. Cartersville, GA 30121	0.24 acres 1/12 of 2.90 acres	0.3021%	4.1667%
(g.2) Catherine Pobst c/o Lynn R. Quick 111 Postelle Street Cartersville, GA 30120	0.24 acres 1/12 of 2.90 acres	0.3021%	4.1667%
(j) Meredith E. Jennings 542 Butler Mill Rd. Maryville, TN 37803	0.48 acres 1/6 of 2.90 acres	0.6042%	8.3333%
<u>Entitled to 50% of the Royalties per Royalty Division Agreement:</u>			
(2) Levisa Coal Company c/o John C. Irvin, Managing Partner 4710 Hunterwood Circle Richmond, TX 77406	2.90 acres	3.6250%	50.0000%

B
\$20

INSTRUMENT #120001324
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JUNE 29, 2012 AT 02:39PM

BEVERLY S. TILLER, CLERK
RECORDED BY: GGB

Hagy, Sharon (DMME)

From: VITASHARE System [vitashare@vita.virginia.gov]
Sent: Monday, July 16, 2012 11:26 AM
To: Hagy, Sharon (DMME)
Subject: Status Change for Transaction DP8JTOXQDOJILJ0B

Sharon Hagy,

The status for your job id DP8JTOXQDOJILJ0B, has changed to 'download page accessed from IP address: 12-4-226-26'.

You can view your job here

<<https://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=DP8JTOXQDOJILJ0B>> .

Date: Mon, Jul 16, at 11:09

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive data.

Recipient's Email example- user1@virginia.gov, user2@virginia.gov:

AnitaDuty@consolenergy.com, dldavis@firstbank.com, gloria.clark@dmme.virginia.gov,
hilareymullins@consolenergy.com

Message - Describe file attachment: Please see the recorded disbursement order for docket 1984-02. Let me know if you are unable to download the file. Thank you, Sharon

Notify me when the file is downloaded?: Yes

Pin: 975488

Files:

1984-02_Disbursement.tif